

CHAPTER NO. 732

SENATE BILL NO. 3304

By Atchley, Leatherwood, Cooper, Elsea, McNally, Crowe

Substituted for: House Bill No. 3306

By Kisber, McDaniel, Bowers, Head, White, Winningham, Beavers, Davidson, Larry
Turner, McKee, Ridgeway

AN ACT To amend Tennessee Code Annotated, Section 67-6-102, of the sales and use tax law to expand the exemption from tax available upon an investment in excess of ten million dollars (\$10,000,000) in a warehouse or distribution facility in this state by qualifying investments in warehouse or distribution facilities other than new facilities or expansions of previously qualified facilities.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 67-6-102, is amended in subsection (12) by adding the following new subdivisions:

() Material handling equipment and racking systems used in a warehouse and distribution facility, subject to all the requirements and conditions of subdivision (12)(H) except:

(i) The required investment in excess of ten million dollars (\$10,000,000) may also be made in a previously occupied facility;

(a) Through the purchase of a building, and/or the purchase of new equipment for use in the building no later than one (1) year after the purchase of the building, or

(b) Through the purchase of new equipment for use in a leased building, not qualifying under (a) of this subdivision, made no later than one (1) year after the date of the lease agreement; and

(ii) Any purchases exempted from tax for use in the facility described in this subdivision must be made no later than one (1) year after the purchase of the building under (a) of this subdivision, or no later than one (1) year after the date of the lease agreement under (b) of this subdivision.


SECTION 2. This act shall take effect on July 1, 1998, and shall apply to purchases or leases of previously occupied buildings occurring on or after that date, the public welfare requiring it.


JOHN S. WILDER
SPEAKER OF THE SENATE


JIMMY NAIFEH, SPEAKER
HOUSE OF REPRESENTATIVES

PASSED: March 30, 1998

APPROVED this 8th day of April 1998


DON SUNDQUIST, GOVERNOR